

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

BIG LOTS, INC., *et al.*,

Debtors.<sup>1</sup>

Chapter 11

Case No. 24-11967 (JKS)

(Jointly Administered)

**CURE CLAIM OBJECTION RELATED TO DEBTORS' NOTICE OF PROPOSED  
ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS AND  
UNEXPIRED LEASES AND CURE AMOUNT [DOCKET NO. 511]**

Allen Road Retail Business Center, LLC ("Allen Road"), Dade City Shopping Plaza, LLC ("Dade City"), and South Square Shopping Center, LLC ("South Square") (collectively, the "Claimants")<sup>2</sup>, by and through their undersigned counsel, hereby file this objection to the proposed cure amounts that the above captioned debtors and debtors-in-possession (collectively, "Debtors") have proposed to pay in connection with the potential assumption and assignment of the Allen Road, Dade City, and South Square leases, and in doing so states the following:

---

<sup>1</sup> The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective employer identification numbers, are as follows: Great Basin, LLC (6158); Big Lots, Inc. (9097); Big Lots Management, LLC (7948); Consolidated Property Holdings, LLC (0984); Broyhill LLC (7868); Big Lots Stores - PNS, LLC (5262); Big Lots Stores, LLC (6811); BLBO Tenant, LLC (0552); Big Lots Stores - CSR, LLC (6182); CSC Distribution LLC (8785); Closeout Distribution, LLC (0309); Durant DC, LLC (2033); AVDC, LLC (3400); GAFDC LLC (8673); PAFDC LLC (2377); WAFDC, LLC (6163); INFDC, LLC (2820); Big Lots eCommerce LLC (9612); and Big Lots F&S, LLC (3277). The address of the debtors' corporate headquarters is 4900 E. DublinGranville Road, Columbus, OH 4308

<sup>2</sup> Pursuant to Del. Bankr. L.R. 9013-1(h), Claimants do consent to the entry of final orders or judgments by the Court if it is determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

## **BACKGROUND**

### **I. Debtor's leases with the Claimants.**

#### **A. Allen Road's lease with the Debtor.**

1. The lease at issue concerns Debtor (tenant) and its Store #1501, located at 4840 Allen Rd, Zephyrhills, FL 33541, and Allen Road, a Florida limited liability company (landlord), with the lease originating in September 21, 1999 (the "Allen Road Lease").

2. On July 9, 2020, Debtor exercised its option to extend the term of the Allen Road Lease commencing February 1, 2021 and expiring on January 31, 2026 ("Third Option Term"). The Allen Road Lease has a fixed minimum rent of \$221,765.50 per annum, payable in equal monthly installments of \$18,480.46, for the Third Option Term.<sup>3</sup>

3. In addition to rent, the Debtor is also to pay its common area maintenance charges, property taxes, sales taxes, insurance, and other associated charges per the Allen Road Lease and its two subsequent modifications.<sup>4</sup>

#### **B. Dade City's lease with the Debtor.**

4. The lease at issue concerns Debtor (tenant) and its Store #546 located at 12820 US Hwy 301, Dade City, FL 33525, and Dade City, a Florida limited liability company (landlord), with the lease originating in August 19, 1994 (the "Dade City Lease").

5. Debtor and Dade City executed a seventh Lease modification (the "Seventh Modification") whereby the Debtor agreed to extend the term of the Dade City Lease for approximately five years commencing on February 1, 2024 and expiring on January 31, 2029

---

<sup>3</sup> **Exhibit A** – Debtor's 3<sup>rd</sup> Option Term acceptance letter (Allen Road)

<sup>4</sup> **Exhibit B** – Lease (Allen Road)

(the “Fifth Extended Term”) upon the same terms and conditions as the Dade City Lease, except as set forth in the Seventh Modification.<sup>5</sup>

6. The Fifth Extended Term under the Seventh Modification guarantees a minimum rent of \$112,500.00 per annum, payable in equal monthly installments of \$9,375.00.

7. In addition to rent, the Debtor is also to pay its common area maintenance charges, property taxes, sales taxes, insurance, and other associated charges per the Dade City Lease and subsequent modifications.

**C. South Square’s lease with the Debtor.**

8. The lease at issue concerns Debtor (tenant) and its Store #1375 located at 20050 Cortez Blvd, Brooksville, FL, and South Square, a Florida limited liability company (landlord), with the lease originating in October 21, 2008 (the “South Square Lease”).

9. Debtor and South Square executed the first option to renew under the South Square Lease, which expired on January 31, 2024. The Debtor and South Square then entered into a ten (10) year second lease modification agreement, which commenced on February 1, 2024 and expires January 31, 2034.<sup>6</sup>

10. The 10-year South Square Lease under the 2<sup>nd</sup> modification guarantees a minimum rent of \$149,000.00 per annum, payable in equal monthly installments of \$12,416.67 for the first five years, then guarantees a minimum rent of \$163,900.00, payable in equal monthly installments of \$13,658.33.

11. In addition to rent, the Debtor is also to pay its common area maintenance charges, property taxes, sales taxes, insurance, and other associated charges per the South Square Lease, 2<sup>nd</sup> modification.

---

<sup>5</sup> **Exhibit C** – Seventh Lease Modification Agreement (Dade City)

<sup>6</sup> **Exhibit D** – South Square 10-year Lease, 2<sup>nd</sup> Modification

## **II. Debtor's Proposed Cure Claim Amounts.**

12. On September 9, 2024 (the "Petition Date"), the Debtor filed a voluntary petition for relief under chapter 11 of the United States Bankruptcy Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Delaware.

13. On September 9, 2024, the Debtors filed a motion (the "Sale Motion"), which *inter alia*, seeks Court approval to sell substantially all of the Debtors' assets and assume and assign various executory contracts and unexpired leases to a stalking horse bidder subject to higher and better bids.

14. In connection with the Sale Motion, the Debtors filed their *Notice of Potential Assumption and Assignment of Executory Contracts and Unexpired Leases and Cure Amount* [D.I. 511] (the "Notice").

15. The Notice identified the Allen Road Lease, the Dade City Lease, and the South Square Lease as unexpired leases that could potentially be assumed and assigned as part of the proposed sale and indicated that the amounts necessary to cure any pre-petition defaults under the leases are:

- a. \$25,574 for the Allen Road Lease (the "Proposed Allen Road Cure Amount").
- b. \$14,575 for the Dade City Lease (the "Proposed Dade City Cure Amount")
- c. \$14,763 for the South Square Lease (the "Proposed South Square Cure Amount")

16. The Notice further provides that if the Claimants fail to object to the proposed cure amounts prior to November 4, 2024 at 12:00 p.m. (Eastern), they will be barred from

objecting to the assumption and assignment of the Lease, including any cure costs or defaults associated with such proposed assumption and assignment of the leases.

### **III. Pre-petition Amounts owed to the Claimants.**

17. As of the Petition Date, the amount the Debtor owes, including common area maintenance, property taxes, and rent charges,<sup>7</sup> to:

- a. Allen Road is \$29,256.33 (“Allen Road Unpaid Pre-Petition Amount”)<sup>8</sup>,
- b. Dade City is \$18,216.64 (“Dade City Unpaid Pre-Petition Amount”)<sup>9</sup>, and
- c. South Square is \$14,780.39 (“South Square Unpaid Pre-Petition Amount”)<sup>10</sup>.

18. A summary of the Claimants’ pre-petition amounts, as well as estimated and anticipated expenses subject to reconciliation at time of assumption, is attached as **Exhibit E**.

19. As set forth above, the Debtors have not paid the Claimants’ unpaid pre-petition amounts, as required under the terms and conditions of each of their leases.

20. To the extent that the Debtors seek to assume and assign the Allen Road Lease, the Dade City Lease, and the South Square Lease, the Debtors are required to pay the Allen Road, Dade City, and South Square Unpaid Pre-Petition Amounts to Allen Road, Dade City, and South Square to satisfy the Debtors’ pre-petition cure obligations under 11 U.S.C. § 365(b).

21. Allen Road, Dade City, and South Square each object to the Proposed Cure Amounts for each and any proposed assumption and assignment of their respective leases to the extent that any proposed order approving such assumption and assignment fails to provide that

---

<sup>7</sup> The Claimants reserve the right to include additional post-petition charges as they come due while the Sale Motion and the proposed assumption and assignment of the Lease remains pending and/or file a motion requesting the payment of any such administrative expenses.

<sup>8</sup> **Exhibit E** – Summary of Expenses (\$24,712.54 + \$3,682.82 + \$860.97), Allen Road column

<sup>9</sup> **Exhibit E** – Summary of Expenses (\$14,574.50 + \$2,136.53 + \$1,505.61), Dade City column

<sup>10</sup> **Exhibit E** – Summary of Expenses (\$14,763.42 + \$16.97), South Square column

the Debtors or the proposed purchaser/assignee of the leases shall promptly (i) pay Allen Road the Allen Road Unpaid Pre-Petition Amount of \$29,256.33, Dade City the Dade City Unpaid Pre-Petition Amount of \$18,216.64, and South Square the South Square Unpaid Pre-Petition Amount of \$14,780.39 and (ii) any unpaid post-petition amounts accrued or due under their respective lease. *See* 11 U.S.C. § 365(b).

22. Allen Road, Dade City, and South Square each reserve all rights to seek all reasonable post-petition attorney fees and costs related to the lease as part of this cure objection.

23. Allen Road, Dade City, and South Square do not object to the proposed assumption and assignment of their respective leases provided that the unpaid pre-petition amounts and any unpaid post-petition rent due is tendered, the proposed purchaser assumes all obligations under the lease (including any indemnification obligations as to any latent claims), and that the Debtor (and applicable assignee) provides Allen Road, Dade City, and South Square with adequate assurance of future performance under the lease pursuant to 11 U.S.C. 365(b)(1)(C).

WHEREFORE, Allen Road, Dade City, and South Square each respectfully request that the Court: (I) enter an order determining that Allen Road, Dade City, and South Square are entitled to the prompt payment of their respective unpaid pre-petition amounts and any unpaid post-petition rents due as a condition of the assumption and assignment of their leases; (ii) enter an order directing the Debtors or the purchaser/assignee of the lease to promptly pay Allen Road, Dade City, and South Square the unpaid pre-petition amounts and any unpaid post-petition rents due, to the extent that the Debtors are authorized to assume or assign the lease and have provided Allen Road, Dade City, and South Square with adequate assurance of future performance; and

(iii) grant Allen Road, Dade City, and South Square such other relief as this Court may deem just and proper.

Dated: November 4, 2024

Respectfully submitted,

**LOIZIDES, P.A.**

/s/ Christopher D. Loizides \_\_\_\_\_

Christopher D. Loizides (No. 3968)

1225 King St., Suite 800

Wilmington, DE 19801

Telephone: (302) 654-0248

Email: loizides@loizides.com

**JOHNSON, POPE, BOKOR,**

**RUPPEL & BURNS, LLP**

James B. Eising II (FL Bar No. 1034650)

(admitted *pro hac vice*)

400 N. Ashley Dr., Suite 3100

Tampa, FL 33602

Telephone: (813)225-2500

Email: AL@jpfirm.com

Email: jeising@jpfirm.com

*Counsel for* Lawrenceville Commercial  
Properties, LLC